

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
CERTIFIED FARMERS' MARKET ADVISORY COMMITTEE
Meeting Minutes
September 12, 2005
Torrance, California

MEMBERS

Scott Beylik
Dennis Peitso
Russell Hall
Steven Erickson
Gene Etheridge
Jim Eldon
Joan Taramasso
Harry Brown-Hiegel
Greta Dunlap
Howell Tumlin
Mary Lou Weiss
Scott Hudson
Karol Jo Kappel

ALTERNATES MEMBERS

Fred Ellrott
Dexter Carmichael, Voting
Pompea Smith
John Silveira

CDFA

Janice Price
Susan Shelton

INTERESTED PARTIES

Renee Gordon
Jerrie Watkins
Val Patterson
Laura Avery
Dale Whitney
Nathalie Descratz
Paul Dufourd

ITEM 1: ROLL CALL

Gene Etheridge called the Certified Farmers' Market Advisory Committee (CFMAC) meeting to order at 10:00 a.m. Harry Brown-Hiegel led the committee in the pledge of allegiance. Janice Price called the roll and a quorum was established.

A. INTRODUCTION OF GUESTS

Introductions were made.

ITEM 2: APPROVAL OF JULY 11, 2005 MEETING MINUTES

MOTION: Jim Eldon moved to approve the minutes as submitted. Mary Lou Weiss seconded. The motion passed with one abstention.

ITEM 3: APPROVAL OF AGENDA

MOTION: Scott Hudson moved to approve the agenda as submitted. Greta Dunlap seconded. The motion passed unanimously.

ITEM 4: CDFA REPORTS – JANICE PRICE

A. CFM REMITTANCE FEE AND DELINQUENT MARKET REPORTS

The CFM Remittance Fee Reports as of August 25, 2005 were handed out to the committee members. Janice Price reported that the total fees paid in 2004 were \$183,443.86. As of the report date, fees paid in 2005 total \$74,946.41.

The Delinquent Reports for 2004 and the first quarter of 2005 were given to the committee members. The committee questioned the large number of delinquent markets for first quarter of 2005. Janice explained that some of these might be markets that are closed. If this is the case, once the market informs CDFA they were closed during that timeframe they will be removed from the delinquency list.

B. CDFA TASK REPORT

Janice Price reviewed the CDFA Task Report for April through June of 2005. During this time she conducted two investigations, which required inspections at two markets and seven production sites. She also held a workshop for Contra Costa County staff and market managers.

C. OTHER REPORTS

Janice reported that Nate Dechoretz has been named as Acting Director for the Inspection Services Division. His background is in finance and budgets.

A copy of the Fiscal Year Comparison of CFM Quarterly Revenue was given to each committee member. Janice explained that this report compares quarterly fees for fiscal years 1999/2000 through 2005/2006. The committee asked if fee comparisons could be shown by calendar year. Janice stated that she would bring a comparison report for fiscal year and one for calendar year to the next meeting. The committee will then discuss which report they would prefer.

Janice gave the committee a copy of two recent press releases. The first press release announced a new tool called AgComplyIT, which will help farmers and ranchers identify the regulations that apply to their operations. For more information regarding workshops or to download the CD go to the website at: www.cdfa.ca.gov/exec/aep/aes/AgReg/index.htm.

The second press release announced vacancies on the CFMAC. This release was sent to advertise for specific positions of certified producers and market

managers on the committee. Janice reported on a request that was submitted to remove a committee member from the CFMAC due to repeated absences from meetings. There has not yet been a formal removal or a replacement of any members. Janice asked that the members review the CFMAC Procedures to clarify and provide a better direction to CDFA on the process of removing committee members due to excessive meeting absences.

On August 11, 2005 Janice sent a letter to all the county agricultural commissioners. The purpose of the notice was to provide clarification and direction regarding what products may or may not be listed on a certified producer's certificate (CPC). The committee was cc'd on this letter.

ITEM 5: AGRICULTURAL COMMISSIONER'S REPORT

Report given under 7.G.

ITEM 6: CHAIRMAN'S REPORT – GENE ETHERIDGE

Gene Etheridge and Janice Price reported on the task force that was formed to explore innovative direct marketing ideas. The small discussion group met on August 25, 2005. It was stated that of the approximately 60,000 small farmers in California, only 3,000 are involved in CFMs.

Five points of direction that came from this small group meeting are:

- Sustaining agriculture is tantamount to sustaining civilization
- Reframe thinking from regulatory-driven to visionary-driven
- Support local/regional focus that is regionally driven
- Reduce regulatory interference/impact
- Collaborate with other government, public-private entities

ITEM 7: COMMITTEE REPORTS/BUSINESS

A. LONG RANGE PLANNING SUBCOMMITTEE – GRETA DUNLAP, CHAIR

The subcommittee met via teleconference on August 31, 2005. A handout of the meeting's minutes was given to each committee member. The subcommittee will meet next on October 12, 2005.

1. Status Report and Next Steps Regarding the CFMAC 2004 Surveys

The subcommittee divided into four groups to work on the narratives for each of the surveys. Final narratives will be presented at the CFMAC meeting on November 15, 2004 in Ventura, CA.

B. FINANCE SUBCOMMITTEE – SCOTT BEYLIK, CHAIR

No report at this time.

C. MARKET STANDARDS/MANAGER CERTIFICATION SUBCOMMITTEE – HOWELL TUMLIN, CHAIR

Howell Tumlin reported that the subcommittee met via teleconference on May 5, 2005 and July 28, 2005. Handouts of the meetings' minutes were given to each committee member. The subcommittee scheduled its next meeting for September 22, 2005.

1. Proposed Regulation to Limit Non-Agricultural Products Sales - Section 1392.9(e)

The following was presented for Committee approval:

1392.9(e) "During the months of May through October, an operator of a certified farmers' market shall not permit, allow, grant permission to, rent a stall to or receive consideration of any kind from a vendor of a non-agricultural product in proximity to a certified farmers' market where the area utilized for non-agricultural product vendors exceeds 25% of the area designated for producers and certified producers of agricultural products selling in the certified farmers' market. The relative size of the areas for the certified market sales and non-agricultural product vendors shall be determined by measuring the front footage of the various vendor stalls in the respective areas. For example, a farmers' market with a certified section that consists of six producers with 10' x 10' stalls and five producers with 20' x 10' stalls would have an area of 160' designated for agricultural product sales. The area utilized by non-agricultural vendors in this example could be no more than 25% of the area designated for agricultural sales, or a total of 40'. For the purposes of this regulation, proximity to the market shall be defined as within 1000' of the certified section of the market."

A discussion ensued regarding this proposal. Many questioned whether this could even be enforced. Also questioned was if CDFA or the Department of Health would have jurisdiction. Some felt this proposal stymied a free market

environment for CFMs. Others felt that this was an important issue because some of the industry was losing focus of what a CFM is and is not.

MOTION: On behalf of the Subcommittee Howell Tumlin moved to have the CFMAC recommend Section 1392.9(e) for adoption. A roll call vote was taken. Five members were in favor, seven were against. The motion failed.

2. Proposed Market Operator Regulation Section 1392.9(c) and (d) to disallow the sales of Certifiable and Non-certifiable Agricultural Products Outside Designated Area of CFM

The following was presented for Committee approval:

1392.9(c) "A certified farmers' market operator or designated agent shall not sell, nor grant permission nor charge a fee to any individual or entity for the privilege of offering for sale, any raw, unprocessed fruit, nuts, vegetables, shell eggs, honey, flowers or nursery stock outside the designated area of the certified farmers' market. "Unprocessed" for the purposes of this section shall be defined as an agricultural product in its raw or natural state. A certified farmers' market operator or designated agent may grant permission or charge a fee to any individual or entity for the privilege of offering for sale any non-certifiable agricultural products outside of the certified farmers' market provided that the products have been produced or derived from plants or animals raised or produced by the seller."

A discussion ensued regarding this proposal. It was stated that this language would clarify that certified agricultural products must be within the CFM; however, non-certified agricultural products could be either inside or outside the market, provided that the seller is also the producer of the product. Some stated concerns that this would not be enforceable.

MOTION: On behalf of the Subcommittee Howell Tumlin moved to have the CFMAC recommend Section 1392.9(c) for adoption. The motion passed.

The following was presented for Committee approval:

1392.9(d) "A certified farmers' market operator or designated agent shall not sell, nor grant permission nor charge a fee to an individual or entity for the privilege of offering for resale, any certifiable or non-certifiable agricultural products as defined by the California Department of Food and Agriculture outside of the designated area of the certified farmers' market. This provision does not apply to vendors selling non-agricultural food products that operate as mobile food facilities and are required to have a valid permit from the local

environmental health agency. "Non-agricultural food products" are food items other than certifiable agricultural products and non-certifiable agricultural products, such as bakery products."

A discussion ensued regarding this proposal. It was stated that this language would prohibit the re-sale of certifiable or non-certifiable agricultural products in the non-certifiable area.

MOTION: On behalf of the Subcommittee Howell Tumlin moved to have the CFMAC recommend Section 1392.9(d) for adoption. The motion passed.

D. ENFORCEMENT/MATRIX SUBCOMMITTEE – SCOTT HUDSON, CHAIR

Scott Hudson stated that the subcommittee has not met since the last committee meeting. They will report at the CFMAC meeting in November regarding ways to put the matrix into regulatory form.

E. NON-CERTIFIABLE AGRICULTURAL PRODUCTS SUBCOMMITTEE – JIM RUSSELL, CHAIR

The subcommittee met via teleconference on August 8, 2005.

As Jim Russell was not present at the CFMAC meeting Howell Tumlin presented the proposed regulations to the committee.

1. *Proposed regulation to Define Processed Products*
2. *Proposed regulation to Define Flavorings Used in Processed Products*
3. *Proposed regulation to Define Food Coloring Used in Processed Products*
4. *Proposed regulation to Define Coatings Used in Processed Products*
5. *Proposed regulation to Require Non-Certifiable Agricultural Product Sales Quantities on Load Sheet.*

The following was presented for Committee approval:

Section 1392.2. Definitions

(u) Processed Agricultural Products. Processed agricultural products shall be defined as agricultural products that have been altered or prepared by such means as, but not limited to, slicing, juicing, drying, shelling, smoking, freezing or cooking, provided, however, that the seller has produced all of the ingredients contained in the final product. The only exceptions to this production requirement shall be the inclusion of food coloring, pectin,

rennin/rennet or ingredients used as preservatives, seasonings, flavorings, or coatings.

(v) Preservative. An additive, substance or ingredient(s) added to agricultural products to prevent decomposition due to chemical change or microbial action and/or to protect against decay, discoloration or spoilage. Preservatives include, but are not limited to: sulfites added to dried fruits, dried vegetables or wine; sugar added in the making of jams, jellies and preserves; salt or salt brine solution for curing olives; or vinegar for pickling of products such as, but not limited to, beans, asparagus and cucumbers.

(w) Seasoning. Seasoning shall be defined as salt or any herb or spice used in food preparation.

(1) Herb. Herb shall be defined as the leafy part of an aromatic plant used fresh or dried in food preparation.

(2) Spice. Spice shall be defined as any of various aromatic plant products used in food preparation. Spices include, but are not limited to: chili powder, whole or ground black pepper, ginger, garlic, onion, jalapeno, cinnamon and nutmeg.

(x) Flavoring. A substance, additive or ingredient, which may itself include seasonings or preservatives, that imparts flavor to a food without changing the consistency of or rendering unidentifiable the original product. Flavorings include, but are not limited to: Liquid, powder or natural smoke, hickory, vanilla extract, nut oil, and soy sauce.

(y) Food Coloring. For the purposes of this regulation, food coloring shall be defined as a dye or pigment that is added to a product to impart color.

(z) Coatings. A substance that coats or enrobes including but not limited to chocolate, yogurt, flour & coconut as long as the certified or noncertifiable agricultural product is the primary product.

Section 1392.4. Conditions of Direct Marketing.

(u) A seller of processed agricultural products shall document compliance with the production requirements referenced in Section 1392.2(u) with documents such as but not limited to a health department certificate for the processing facility, written agreement or bill for rent from a certified kitchen, or a written agreement or bill for work accomplished from a person or entity that processed the product. He or she shall have a copy of the documentation in his or her possession at the point of sale, and shall make this documentation available upon request of an enforcing officer. The quantities of certifiable agricultural product processed and sold shall not exceed the quantities listed on the seller's Certified Producer's Certificate.

Additionally, the included ingredients not of own production, as defined in section 1392.2, other than sugar and water, must be the last items on the FDA legal label (i.e. where the ingredients are listed in descending order of quantity.)

Section 1392.9. Direct Marketing, Compliance Requirements for the Operator of a Certified Farmers' Market.

(b) (1) The product list shall state the name of the certified producer, the identity of each product sold as it appears on the certified producer's certificate, and the quantity of each product sold at the market including all processed agricultural products.

MOTION: On behalf of the Subcommittee Howell Tumlin moved to have the CFMAC recommend Sections 1392.2 (v), (w)(1) and (2), (x), (y), (z) and 1392.9 for adoption. A roll call vote was taken. Seven members were in favor, four against. The motion passed.

F. POLICY AND PROCEDURES SUBCOMMITTEE – HOWELL TUMLIN, CHAIR

1. *Proposal to Amend CFMAC Procedures, Section 1.6, Election of Officers*
2. *Proposal to Amend CFMAC Procedures, Section 1.7, Subcommittees*
3. *Proposal to Amend CFMAC Procedures, Section 1.7.2, Subcommittee Membership*
4. *Proposal to Amend CFMAC Procedures, Section 2.8, Absences*
5. *Proposal to Amend CFMAC Procedures, Sections 1.2, 1.5, 2.4, 2.5, and 3.2 to Eliminate Reference to the CFMAC Secretary Position*

This item has been held over until the next CFMAC meeting. No discussion or action taken at this time.

G. CACASA/CFMAC COORDINATION SUBCOMMITTEE – SCOTT HUDSON

Scott Hudson reported that San Joaquin County worked with San Mateo County to conduct a test of the random audit system. They audited two large and one small grower. San Mateo audited the CFM and San Joaquin audited the inspection site. All were in compliance. It was decided that this type of program could be accomplished with the proper coordination between counties. However, completing the second audit within a few days of the first could be an issue.

H. CDFA SECRETARY'S REQUEST FOR 10 YEAR VISION STATEMENT – HARRY BROWN-HIEGEL/GAIL HAYDEN

This item has been held over until the next CFMAC meeting. No discussion or action taken at this time.

I. PROPOSAL TO FORM A MARKETING/EDUCATION SUBCOMMITTEE – GRETA DUNLAP

It was proposed that a Marketing/Education Subcommittee be created. Mary Lou nominated Greta Dunlap as chair. Joan Taramasso, Jim Eldon, Karol Jo Kappel, Fred Ellrott, John Silveira, Pompea Smith, and Nathalie Descratz stated they would be interested in serving as members.

MOTION: Greta Dunlap moved to approve the creation of the Subcommittee and the members as proposed. Jim Eldon seconded. The motion passed unanimously.

J. TENTATIVE CFMAC NOVEMBER 14, 2005 MEETING AT THE SMALL FARM CONFERENCE IN VENTURA – JANICE PRICE

1. Proposed Format and Agenda Items

As a member of the board for the upcoming California Small Farm Conference, and after consulting other board members, Janice Price extended an invitation to the CFMAC to hold a committee meeting. The meeting will be held at the close of the conference on November 15, 2005 from 2-5 pm. The website for the conference is <http://www.californiafarmconference.com>.

Some of the ideas given for this CFMAC meeting were to have Gene Etheridge give a 10 minute presentation regarding the committee and then have a public roundtable discussion, have Scott Hudson give a presentation on the fee restructure, discuss the future of direct marketing, etc.

ITEM 8: NEW BUSINESS – DISCUSSION ONLY

No new business was discussed.

ITEM 9: MEMBER ROUNDTABLE DISCUSSION – GENE ETHERIDGE

No roundtable discussion was held

ITEM 10: ADJOURNMENT

The Committee adjourned at 3:03 p.m.

Respectfully submitted by:

Janice Price, Supervisor
Certified Farmers' Market Program
Inspection and Compliance Branch